

Flood Insurance Profile of the Sacramento Region

121,000

Approximate number of property owners whom Sacramento-area levees currently protect from flooding. ¹

26,000—Approximate number of property owners in the South Area floodplain—including the Meadowview and Pocket communities—who will be released from the Federal flood insurance requirement by Spring 2007. ²

65,000—Approximate number of property owners—including property owners in the North Area and American River floodplains—who already have been released from this requirement. ³

24,000—Approximate number of property owners in the Natomas area who are not currently subject to the Federal flood insurance requirement but will be required to carry flood insurance in November 2007.

6,000—Approximate number of Sacramento property owners who will remain subject to the Federal flood insurance requirement. ⁴

61,250

Approximate number of flood insurance policies carried in the region. ⁵

\$28.5 Million

Total yearly premiums paid by residential and non-residential flood insurance policyholders in Sacramento. ⁶

\$26.3 Million

Total yearly premiums paid by residential policyholders in Sacramento. ⁷

25,000

Approximate number of Preferred Risk Policies carried by Sacramento policyholders. ⁸

\$543

Average yearly cost of a Standard, residential flood insurance policy in Sacramento. ⁹

\$301

Average yearly cost of a Preferred Risk, residential flood insurance policy in Sacramento. ¹⁰

\$6 Million

Aggregate yearly savings to Sacramento property owners who carry Preferred Risk flood insurance.



For more information, please contact SAFCA at **916.874.7606** or visit the SAFCA website at www.SAFCA.org. For more information about flood insurance, contact your agent or visit the National Flood Insurance Program's FloodSmart website at www.floodsmart.gov.



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¹ Source: Parsons Brinckerhoff

² Source: Parsons Brinckerhoff

³ Source: Parsons Brinckerhoff

⁴ Source: Parsons Brinckerhoff

⁵ Source: FEMA HUDEX Data, Oct 31, 2006

⁶ Source: FEMA HUDEX Data, Oct 31, 2006

⁷ Source: FEMA HUDEX Data, Oct 31, 2006

⁸ Source: National Flood Insurance Program, Bureau and Statistical Agent, Oct 31, 2006

⁹ Source: National Flood Insurance Program, Bureau and Statistical Agent, Oct 31, 2006

¹⁰ Source: National Flood Insurance Program, Bureau and Statistical Agent, Oct 31, 2006

OVERVIEW:

SAFCA's Flood Insurance Outreach/ Levee Risk Awareness Program

In January 2007, SAFCA will initiate a flood insurance outreach campaign aimed at the more than 121,000 property owners who are protected by a Sacramento-area levee. Currently, only about half of these property owners carry flood insurance.

Recent improvements to regional flood controls have reduced but not eliminated the flood risk to our community. Through outreach, SAFCA will alert property owners to the ongoing flood risk posed by the potential failure of a Sacramento-area levee. In addition, SAFCA will urge property owners to guard against the devastating financial harm of a flood disaster by carrying low-cost, Preferred Risk flood insurance. The outreach program has four major phases:

Phase 1: Insurance Agent Outreach.

SAFCA will send a direct mail piece to the approximately 3,000 insurance agents who service the Sacramento region. This mailer will help agents to identify Sacramento clients who are vulnerable to flood risk. In addition, the mailer will urge agents to offer low-cost Preferred Risk Policies (PRPs) to eligible clients. The mailer also will invite agents to attend a February 9th flood insurance training seminar. SAFCA and the National Flood Insurance Program will co-host this event.

Phase 2: Outreach to South Area Property Owners.

SAFCA will send a direct mail piece to the approximately 6,000 South Area property owners who will remain subject to the Federal flood insurance requirement. The mailer will provide these property owners with a timetable for the completion of improvements to the flood controls in their community. In addition, it will invite property owners to attend one of two neighborhood meetings at which they can ask SAFCA and City staff questions about the flood risk in their area.

SAFCA also will send a direct mail piece to the approximately 26,000 South Area-property owners—including those in the Meadowview and Pocket communities—who SAFCA anticipates will be released from the Federal flood insurance requirement in Spring 2007. This mailer will alert property owners to the flood risk posed by the potential failure of a Sacramento-area levee and urge them to maintain flood insurance protection with a low-cost Preferred Risk Policy. SAFCA also will invite these property owners to attend one of three neighborhood meetings. At these meetings, property owners can ask City or SAFCA staff questions about flood insurance savings options and recent improvements to South Area levees.

Phase 3: Outreach to Property Owners Who Already Have Been Released from the Flood Insurance Requirement.

SAFCA will send a direct mail piece to the approximately 89,000 property owners in the Natomas, North Area and American River floodplains who already have been released from the Federal flood insurance requirement. The mailer will: (1) Alert these property owners to the flood risk posed by the potential failure of a Sacramento-area levee; (2) Urge property owners who do not currently carry flood insurance to apply with their insurance agent for a low-cost PRP; and (3) Urge property owners who carry Standard flood insurance to take advantage of flood insurance savings by converting their policy to a PRP.

Phase 4: News Media Outreach.

Finally, SAFCA will work with the local news media to: (1) Announce the South Area's released from the mandatory Federal flood insurance requirement; (2) Inform the public that improvements to regional flood controls have reduced but not eliminated the flood risk to our community; (3) Alert the public to the flood risk posed by the potential failure of a Sacramento levee; and (4) Urge property owners to carry Preferred Risk flood insurance protection.

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FLOOD INSURANCE:

The Smart Choice for Sacramento Property Owners

OUR RISK. OUR CHOICE. Flood insurance is now, or will soon be, a choice rather than a requirement for most property owners in Sacramento. Improvements to regional flood controls have reduced but not eliminated the flood risk to our community. Because of these improvements, more than 89,000 Sacramento property owners have been removed from the Federal flood insurance requirement—but not from harm's way. No levees, including ours, can offer complete protection against flooding.

FLOOD CONTROL OFFICIALS URGE FLOOD INSURANCE PROTECTION. Levees are built to provide a specific level of flood protection. But severe weather can cause levees to fail. The flooding that follows can financially ruin homeowners and business owners who do not carry flood insurance. Flood control officials estimate a flood disaster could cause more than \$11 billion in damage to property in our region, including \$9.2 billion in damage to homes.

Because of our flood risk, the Sacramento Area Flood Control Agency, the City of Sacramento, the US Army Corps of Engineers and the California State Department of Water Resources urge all Sacramento property owners who live behind levees to carry flood insurance protection.

SOUTH AREA WILL SOON QUALIFY for FLOOD INSURANCE SAVINGS. In the coming months, approximately 26,000 South Area property owners—including those in the Meadowview and Pocket communities—will be released from the Federal flood insurance requirement. These property owners will have three flood insurance options:

CONVERT to a Low-Cost Preferred Risk Policy. Preferred Risk Policies (PRPs) give property owners the same level of flood insurance protection that they receive with a Standard policy for about half the price. A product of the National Flood Insurance Program, PRPs are only available for property that has been released from the Federal flood insurance requirement. More than 25,000 Sacramento property owners already take advantage of Preferred Risk flood insurance savings and protection. You must apply with your insurance agent to obtain a Preferred Risk Policy.

KEEP Your Standard Flood Insurance. Property owners who do not convert to a PRP will continue to benefit from flood insurance protection, but will continue to pay the higher Standard rate.

CANCEL and Take Your Chances. Property owners who obtain their lender's written permission will be able to cancel their flood insurance. In the short term, cancellation will save property owners money. But in the long term, it could cost them dearly.

KNOW YOUR RISK. For the first time in nearly 20 years, South Area property owners will choose for themselves whether to carry flood insurance. With so much at stake, SAFCA urges property owners to learn the facts before making this important decision.

Sacramento Is a Community At-Risk. Sacramento continues to face one of the highest levels of flood risk of any major U.S. City. The source of this risk is the potential failure of a Sacramento-area levee.

Homeowners Insurance Does NOT Typically Cover Damage Caused by Flooding. For most people, flood insurance is the only way to protect against flood loss.

Flood Insurance Is the Best Way to Protect Against the Devastating Financial Damage of a Flood Disaster. If a major flood occurs, Federal assistance usually takes the form of a low-interest loan that property owners must repay in addition to their existing mortgage.



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An official site of the National Flood Insurance Program



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Sacramento Area
Flood Control Agency

**LOWER COST. SAME AGENT.
MORE PROTECTION. PEACE OF MIND.**

Ask Your Agent About Preferred Risk Flood Insurance

A product of the National Flood Insurance Program, **Preferred Risk Policies (PRPs)** are available to most Sacramento property owners who have been released from the Federal flood insurance requirement.

Lower-Cost. Preferred Risk Policies offer you the same protection as Standard flood insurance at about half the cost.

Same Agent. In most cases, the same agent who writes your auto or homeowners insurance can also write a PRP.

More Protection. PRPs include “Contents” coverage—flood insurance protection for your belongings—in their already low premium.

Peace of Mind. Improvements to regional flood controls have reduced but not eliminated the flood risk to our community. Severe storms can damage Sacramento’s system of levees, causing potentially catastrophic flooding. PRPs give you the peace of mind that you’ve done your best to prepare for the worst.

A COST COMPARISON: Standard vs. Preferred Risk Flood Insurance¹

COVERAGE AMOUNT		COVERAGE TYPE		ANNUAL SAVINGS
Home Structure	Contents	Standard Policy ²	Preferred Risk Policy ³	
\$100,000	\$40,000	\$632	\$233	\$399
\$125,000	\$50,000	\$697	\$249	\$448
\$150,000	\$60,000	\$763	\$264	\$499
\$200,000	\$80,000	\$893	\$296	\$597
\$250,000	\$100,000	\$1,022	\$317	\$705

HOW TO READ THIS CHART: A Standard flood insurance policy that insures your home for \$250,000 and your belongings for \$100,000 will cost \$1,022, while a Preferred Risk Policy with the same coverage amounts will cost \$317. The Preferred Risk Savings: \$705 each year. PRPs can also be written to insure properties with basements, 2 to 4 family residential properties, and many commercial properties.

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¹ The maximum coverage amounts for residential, National Flood Insurance Program flood insurance policies are: \$250,000 for Home/Structure and \$100,000 for Contents.

² Single family home. No basement. Rated for AR, A99, B C or X flood zone.

³ Single family home. No basement. To qualify for a PRP, property must be located in a B, C or X flood zone and meet the Federal eligibility criteria.

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\$100,000	\$40,000	\$699	\$632	\$233	\$399
\$125,000	\$50,000	\$771	\$697	\$249	\$448
\$150,000	\$60,000	\$844	\$763	\$264	\$499
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Flood control officials with the City of Sacramento and Sacramento County participate in programs that reduce the flood risk to our community. The National Flood Insurance Program recognizes these efforts by awarding a 10% premium discount to most Sacramento policyholders who carry Standard flood insurance.

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⁴ Single family home. No Basement. To qualify for a PRP, property must be located in a B, C or X flood zone and meet Federal eligibility criteria. PRPs do not receive a 10% community discount.



Sacramento Area
Flood Control Agency